

Hobbies

The answer to why they once had to make coins groovy

By Roger Boye

Today's column answers more questions about coins and paper money.

Q—Why do dimes and quarters have grooves around the edges while pennies and nickels are smooth?

B.T., Joliet

A—Grooves (or "reeding") are the relic of a bygone era when higher-denomination coins contained silver or gold. Shysters sometimes tried to shave precious metal from the edges of coins, but the grooves made their handiwork easier to detect. Also, reeded coins are more difficult to counterfeit.

Q—My teacher wants us to find out how many dollar bills are in circulation, by denomination. Can you help me with the assignment?

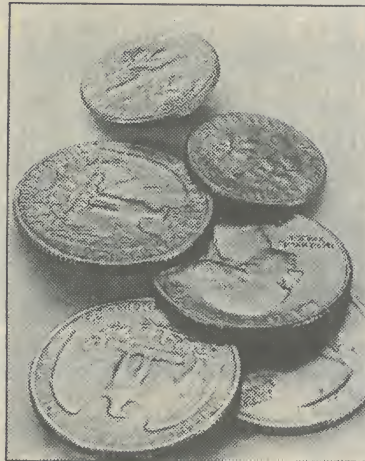
K.L., Chicago

A—Ready to take notes? As of

March 31, at least 4.8 billion \$1 bills were in use, followed in order by the \$20 "greenback" (3.3 billion), \$100, \$5, \$10, \$50 and \$2. In all, about 13 billion Federal Reserve notes circulate, an average of 52 for each U.S. citizen.

The \$100 bills in use on March 31 were worth \$145 billion, more than half the \$268 billion in paper money outstanding, according to the U.S. Treasury. The \$20s ranked second in value, with \$66 billion, followed by \$50 bills, \$10s, \$5s, \$1s and \$2s. About \$1,075 in paper currency circulated per capita on March 31.

Q—You've said that most Franklin Mint medals from the 1960s and 1970s are worth just their metal value today. My late mother collected other Franklin Mint items, including sterling silver crosses (issue price \$25 in 1981), silver ingots (a set of 100



The grooved edges of dimes and quarters are a relic from earlier days.

cost her \$2,500 in the early 1980s), and medals attached to postmarked envelopes. Have we struck it lucky on any of these?

S.L., Waukegan

A—No. The cross contains less than \$5 worth of silver; the ingots probably hold about one ounce of silver each, worth \$4 at current metal prices; and few people collect so-called "philatelic-numismatic combinations." She probably bought many of the items a decade ago, when silver prices were much higher than they are today.

Q—On Sept. 23, when silver was selling for \$4.10 an ounce, the most I could get for my silver quarters made before 1965 was \$2.60 for each \$1 in face value. I know my coins are worth more than that!

Why the price difference? Were the dealers trying to take advantage of me?

H.N., Evanston

A—Coin shops are in business to turn a profit. On the day you made your calls, some dealers sold quarters such as yours for

about 75 each, or four for \$3.

The difference in "buy" and "sell" prices pays a dealer's rent, utilities, office staff and other costs, with perhaps a small amount left over as "net profit." You should seek the best offer when selling your coins because not all pros pay the same, but don't expect to get retail.

(A silver gremlin crept into a recent column. Each \$1 face value of U.S. silver coins made in 1964 or earlier contains .724 of an ounce of precious metal, not .76 of an ounce.)



Questions about antique coins or paper money? Send your queries to Roger Boye, Room 400, Chicago Tribune, 435 N. Michigan Ave., Chicago, Ill. 60611. Enclose a self-addressed, stamped envelope if you want a personal reply and allow at least three weeks for the answer.